

PAUL E. GILLMOR
5TH DISTRICT, OHIO

COUNTIES: ASHLAND (PART), CRAWFORD,
DEFIANCE, FULTON, HENRY, HURON, LUCAS (PART),
MERCER (PART), PAULDING, PUTNAM, SANDUSKY, SENECA,
VAN WERT, WILLIAMS, WOOD, WYANDOT (PART)

DEPUTY MAJORITY WHIP

281040



Congress of the United States
House of Representatives

Washington, DC 20515-3505

May 5, 2004

COMMITTEE ON ENERGY AND COMMERCE

SUBCOMMITTEES:

ENVIRONMENT AND HAZARDOUS MATERIALS
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TELECOMMUNICATIONS AND THE INTERNET

COMMITTEE ON FINANCIAL SERVICES

SUBCOMMITTEES:

CAPITAL MARKETS, INSURANCE AND
GOVERNMENT SPONSORED ENTERPRISES

FINANCIAL INSTITUTIONS AND CONSUMER CREDIT

Docket Management Facility
(USCG-2003-14472 and MARAD-2003-
U.S. Department of Transportation
Room PL-401
400 7th Street, S.W.
Washington, DC 20590-0001

USCG-2003-14472-54

15171-47

Dear Madam/Sir:

I am writing to provide comments on the Notice of Proposed Rulemaking regarding "Lease Financing for Vessels Engaged in the Coastwise Trade." As you know, most of Ohio's northern border is Lake Erie. Access to Lake Erie and the Great Lakes and the shipping routes they afford is crucial to the economic interests of many companies, businesses and employees in Ohio and my congressional district.

While I understand the thesis of the proposed rulemaking is to close perceived loopholes in the documentation and lease financing of vessels engaged in coastwise trade in the United States, I encourage you to carefully consider potential adverse economic results should the rulemaking be too broad or have unintended consequences beyond its narrow intent.

For example, Lafarge is the largest manufacturer of cement and construction materials in the United States and the world. More importantly, Lafarge North America has a substantial manufacturing presence in the State of Ohio. In total, over 200 constituents from my district work for Lafarge at their cement plant in Paulding, Ohio. In addition, Lafarge has shipping terminals and other facilities in Cleveland and throughout Ohio. Further, Lafarge has over 10,000 employees at dozens of plants, shipping terminals and other facilities throughout the United States.

Shipping via the Great Lakes is vital to the economic vitality of Lafarge's plant in Paulding (as well to its numerous other terminals in Ohio and around the Great Lakes). Shipping via the Great Lakes remains the most economical choice for shipping tens of thousands of tons of bulk cement as well as raw materials.

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613 WEST THIRD STREET
DEFIANCE, OH 43512
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130 SHADY LANE DRIVE
NORWALK, OH 44857
419-668-0206

TIFFIN

96 SOUTH WASHINGTON STREET, SUITE 400
TIFFIN, OH 44883
419-448-9016

I understand from Lafarge that this rule making process could threaten the economic viability of these operations and the jobs they represent. I encourage you to honor the existing 12106(e) transactions and create a framework that ensures the protection of those companies that are operating in accordance with the current rules and regulations. The current second rulemaking efforts should be redirected along these lines and brought to a prompt conclusion. It is notable that Lafarge carries nearly one hundred percent of its proprietary cargo, not attempting to evade the intent of the rules to carry for profit cargo it does not own or use in its own manufacturing process.

As a member of the United States House of Representatives that represents a district where Lafarge facilities are located, I respectfully request your careful consideration of Lafarge's comments to the proposed rulemaking. In the coming years, our State will undertake numerous significant growth construction projects, from highways and bridges, to schools and public works projects. It is imperative that we do all that we can to ensure the economic well being of Ohio facilities and the jobs they represent.

Thank you for your consideration of this request. Should you have any questions or comments please feel free to contact Ryan Walker of my staff at (202) 225-6405.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul E. Gillmor", written in a cursive style.

Paul E. Gillmor
Member of Congress